

MINUTES

WEDNESDAY, DECEMBER 15, 2010
LOUISIANA CATFISH PROMOTION AND RESEARCH BOARD MEETING
JACKIE'S RIVERSIDE RESTAURANT
1530 FOURTH STREET
JONESVILLE, LA

CALL TO ORDER

Chairman Sam Haring called the meeting to order at 11:02 a.m.

ROLL CALL

Louisiana Catfish Promotion and Research Board Director Rebecca Riecke called the roll.

DECLARATION OF A QUORUM

The presence of a quorum was declared by Chairman Haring.

MEMBERS PRESENT

RUSTY FREELAND
RUSTY GAUDE
DIANNA HARING
SAM HARING
PAT SCOTT
STEVIE STEPHENS
REBECCA RIECKE (COMMISSIONER'S DESIGNEE)

MEMBERS ABSENT

BILL CHEEK

APPROVAL OF MINUTES

A motion made by Dianna Haring and second by Pat Scott to approve the minutes of the May 19, 2010, meeting. The motion carried.

FINANCIAL REPORT

Ron Harrell from Louisiana Farm Bureau Federation informed the Board that the balance of their three-month CD that renews itself at 0.28% interest is \$5,004.51. \$15,000 was transferred to the Louisiana Catfish Farmers Association after the contract with them was approved. The balance of the checking account is \$1,620.90 and the monthly service fee is \$23.25. Mr. Harrell reported that travel was paid out of the account to four board members for the last meeting. No hard copy financial report was distributed, and no vote was taken to approve the financial report.

Stevie Stephens suggested using money from the Board's checking account to pay for the Ag Expo event in January which will cost \$750. Mr. Harrell suggested depleting the money in the checking account. Mrs. Riecke reminded board members that mileage reimbursements to attend meetings come out of the checking account. Mr. Harrell advised against keeping money in the Board's account and said the money should be used. He said that there is no reason to leave any money in any account. Mr. Stephens brought up the issue of keeping some money in the Board's account because someone filed a bill earlier this year to get rid of certain boards and commissions, including the Catfish Promotion and Research Board. Since the Board wanted to stay in existence, Commissioner Strain was able to make the point that the Board maintaining money makes it viable. Mrs. Riecke agreed that with no money and no assessments, it is hard to justify keeping the Board. Mr. Haring stressed keeping the Board in case of a comeback in the industry. Mr. Harrell stated that the Board is not receiving money and has not received any in almost five years. He said that from a budgetary standpoint, the Board has been insignificant because it has not had any income and has been working off money left over after reimbursements to farmers.

Mr. Harrell said there is \$5,000 in the CD that the Board does not have to touch. He reiterated that there is \$1,620.90 in the checking account with the bank charging \$23.25 a month for service fees. Mr. Stephens suggested paying travel expenses from the Louisiana Catfish Farmers Association funds. Mr. Scott reminded the Board that the \$15,000 contract with the Louisiana Catfish Farmers Association can only be used for promotion.

A motion made by Stevie Stephens to allocate \$750 from the checking account to pay for the Ag Expo in January. The motion died for lack of a second.

Mr. Harrell said he would still have to pay mileage and pay for the meal. Mr. Harrell suggested that since the contract with the Louisiana Catfish Farmers Association has to be amended to extend it, just add the balance left over from today from the checking account and close it. He said the Board could leave the money in the CD until it is needed. Mr. Harrell said that until the Board is taken off the books, it is in existence regardless if it has money or not. He stated that he does not foresee the Board being abolished because it does not cost the state any money. Mr. Harrell suggested that if the Board decides to cash in the CD he would like it to be somewhere local to the catfish farmers. He recommended coming in with another contract request for \$5,000 when that time comes. Mr. Harrell stated that he would need a motion to close the checking account.

A motion by Stevie Stevens and second by Rusty Gaude to use \$750 for the Ag Expo and relay the remainder of the money in the checking account to the CD after disbursement for today's travel. The motion carried.

LOUISIANA CATFISH FARMERS ASSOCIATION REPORT

Mr. Stephens gave the Louisiana Catfish Farmers Association report informing the Board of the progress of the promotion efforts so far. He said that the money was issued at

the beginning of fall. The only funds used so far have been for reimbursement of expenses for Mr. Stephens to attend the NOAA fish fry in Washington, D.C.

Mr. Stephens said that several shows are coming up in 2011 that the Louisiana Catfish Farmers Association is considering. These shows include Ag Expo, the Haring's Pride Show in Huntsville, Alabama, LRA in New Orleans, the Oklahoma Food Show in Oklahoma City, the NOAA fish fry in Washington, D.C, the Catfish Festival and the legislative fish fry. Mr. Stephens said the NOAA fish fry usually costs \$1,500 and is especially beneficial, making a good impact every year. Mr. Gaude suggested that since the catfish industry has been approved for a TAA program, NOAA should help with expenses more this year. Mr. Stephens said that NOAA helped with some of the expenses this year and CFA also helped with fish and shipping costs.

Mr. Stephens said that the \$15,000 contract along with the \$5,000 in the CD should last four years for promotional efforts since the average cost per year has been \$5,000.

Mr. Harrell advised the Board that the next maturity date on the CD is February 13. He recommended that since the checking account balance is under \$5,000 and a contract is not required, the Board should transfer the balance to the Louisiana Catfish Farmers Association to use for promotion instead of putting the money in the CD. He said that the money in the CD will continue to roll over until the Board needs it.

A motion made by Pat Scott and second by Dianna Haring to transfer the balance of the money in the checking account to the Louisiana Catfish Farmers Association to be utilized for promotional expenses. The motion carried.

LOUISIANA CATFISH FARMERS ASSOCIATION CONTRACT

Mrs. Riecke explained that the current contract with the Louisiana Catfish Farmers Association terminates December 31, 2010, and needs to be renewed.

A motion made by Stevie Stevens and second by Rusty Gaude to amend the contract with the Louisiana Catfish Farmers Association to extend the time of performance for one year. The motion carried.

Mrs. Riecke explained that the contract amendment must be date-stamped by Contractual Review by the end of the year. She recommended that it be hand-delivered since it is so close to the end of the year and December 31 is a state holiday. Mr. Harrell will take care of getting the contract to Contractual Review by the end of the year. The contract amendment will last through December 31, 2011.

GENERAL DISCUSSION OF THE CATFISH INDUSTRY

Mr. Gaude advised the Board that he had recently become aware of bad PR for the Louisiana catfish industry. Vice-Chancellor Dr. Coreil showed an article to Mr. Gaude from the October 25 Bloomberg Businessweek in which a tilapia farmer in China referred

to Louisiana catfish farms as “despicable” with no evidence to back up this claim. Mr. Gaude asked that Mrs. Riecke pass this information along to Commissioner Strain. Mr. Gaude suggested that the Board or Commissioner Strain send a statement at least to the two authors of the article and Bloomberg News to refute the claims and challenge their validity.

Mrs. Riecke updated the Board on the 2009 Aquaculture Grant Program. She said that Louisiana received \$482,000 to distribute. 49 total applications were received for a total of \$955,803. Nine catfish farmers applied for a total of \$426,833. Since the amount applied for was almost double the amount that can be distributed, the grant award would have to be pro-rated. The grant applications were due December 8 and have been sent to FSA to verify. One batch was sent November 29 and another December 13. Applicants will receive notification letters regarding status. The goal is to distribute the money within 30 days of the grant application deadline. The grant amount was less this year due to the fact that more crawfish and turtle farmers applied this year and the total USDA award was less.

PUBLIC COMMENT

There was no public comment.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

No further comments were made. A motion made by Stevie Stephens and second by Rusty Gaude to adjourn. The motion carried.